REMARKS

Applicants have carefully reviewed and considered the Office Action mailed on August 1, 2008, and the references cited therewith.

Claims 1, 4-7 and 9-21 are amended, claims 3, 8 and 22 are canceled; as a result, claims 1, 2, 4-7 and 9-21 are now pending in this application.

§ 102 Rejection of the Claims

The Non final office action rejects claims 1, 2, 4-22 under 35 U.S.C. §102(e) over Liu et al., (US PAP 2004/0002859). Applicants respectfully traverse this rejection. For the reasons explained below, the claims in question are patentable under 35 U.S.C. §102 (e) over the cited reference.

Applicants do not admit that the Liu et al. patent is prior art to the present invention and reserve the right to swear behind this patent at a later date. Nonetheless, Applicants believe the claims of the present invention are distinguishable over the prior art reference.

Liu describes about "Method and architecture of digital coding for transmitting and packing audio signals". In contrast, present invention describes about "System and method for low bit rate audio coders".

In paragraph [0048], Liu describes about "the noise higher than the masking threshold leads to a phenomenon that the associated band will be rounded to zero, referred to as the zero bands". Further, Liu describes "quantization levels should also be restricted to be no longer than the signal energy". Liu fails to teach or suggest "determining scale factor bands for which a current quantization step sizes for that scale factor band is at a vanishing point, wherein at least a **peak value** in that scale factor band **remains non-zero** after quantizing that scale factor band with the current quantization step size, and any further increase in the current quantization step size will result in all zero quantized coefficients in that scale factor band", as recited in amended independent claims 1, 4, 9, 12, 15, 18 and 21. Support for this can be found in originally filed provisional application.

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Title: SYSTEMS AND METHODS FOR LOW BIT RATE AUDIO CODERS

Claims 2, 5-7, 10-11, 13-14, 16-17 and 19-20 are dependent directly or indirectly from the amended independent claims 1, 4, 9, 12, 15, 18 and 21, and therefore claims 2, 5-7, 10-11, 13-14, 16-17 and 19-20 should be allowable for the reason presented above.

For the above reasons, claims 1, 2, 4-7 and 9-21 should be found allowable over Liu et al, and Applicants request that the rejection of claims 1, 2, 4-7 and 9-21 should be withdrawn.

AMENDMENT AND RESPONSE UNDER 37 CFR § 1.111

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Conclusion

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Applicants respectfully submit that the claims 1, 2, 4-7 and 9-21 are in condition for allowance and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney (603-888-7958) to facilitate prosecution of this application.

Respectfully submitted,

VINOD PRAKASH ET AL.

By their Representatives,

Global IP Services, PLLC, 198 F, 27th Cross, 3rd Block, Jayanagar, Bangalore 560 011 INDIA

Phone: 603-888-7958

Date _____ December 27, 2008

By ______Prakash Nama

Reg. No. 44,255

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